

Message Text

CONFIDENTIAL

PAGE 01 PARIS 30416 01 OF 02 141957Z

70

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 /059 W

----- 063251

R 141943Z OCT 76

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 6120

INFO ALL EC CAPITALS 0214

AMEMBASSY BERLIN

USMISSION USBERLIN

AMEMBASSY VIENNA

AMEMBASSY MOSCOW

AMEMBASSY BERN

AMEMBASSY OSLO

AMEMBASSY STOCKHOLM

AMEMBASSY HELSINKI

C O N F I D E N T I A L SECTION 01 OF 02 PARIS 30416

E.O. 11652: GDS

TAGS: PFOR GE CGEN CPRS BDIS FR

SUBJECT: FRENCH-GDR INDEMNIFICATION NEGOTIATIONS:

LESSONS IN CHUTZPAH

REF: PARIS 30287

1. FOLLOWING BRIEFING ON STATUS FRENCH-GDR CONSULAR NEGOTIATIONS (REFTEL), QUAI DEPUTY DIRECTOR CENTRAL EUROPEAN AFFAIRS PLAISANT THOUGHT FRG, UK, BELGIAN, ITALIAN AND US REPS PRESENT WOULD ALSO FIND IT INSTRUCTIVE HAVE ASSESSMENT FRENCH-GDR INDEMNIFICATION NEGOTIATIONS (CLAIMS REGARDING PRIVATE PROPERTIES AND INTERESTS) WHOSE SECOND ROUND ENDED HERE YESTERDAY. THESE ARE, IN SOME RESPECTS, "CLASSIC" EXAMPLE OF NEGOTIATIONS OF THIS SORT. HOWEVER, PLAISANT EXPLAINED, THEY HAVE ALSO PRODUCED CERTAIN "ABSOLUTELY EXTRAORDINARY" GDR DEMANDS WHICH ILLUSTRATE THE TENACITY AND "GALL" OF THE GDR'S PURSUIT OF ITS PROPER ENDS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PARIS 30416 01 OF 02 141957Z

2. SPECIFICALLY, THE GDR HAS

(A) DEMANDED COMPENSATION FOR FRG EMBASSY RESIDENCE IN PARIS (PALAIS BEAUHARNAIS) TO WHICH GDR CLAIMS TITLE AS PRUSSIAN SUCCESSOR STATE.

(B) DEMANDED THAT FRENCH CLAIMANTS PAY SUBSTANTIAL COSTS OF GDR "MANAGEMENT" OF FRENCH PROPERTIES SEQUESTERED BY GDR OVER LAST TWENTY OR SO YEARS. IN MANY CASES, THESE "MANAGEMENT BILLS" WOULD EXCEED INTRINSIC VALUE OF PROPERTY.

(C) DEMANDED SUBSTANTIAL INDEMNIFICATION FOR CLAIMED COMMERCIAL LOSSES DUE TO FACT THAT CERTAIN GDR TRADEMARKS WERE NOT PROTECTED IN FRENCH MARKET BEFORE ESTABLISHMENT OF DIPLOMATIC RELATIONS. PLAISANT CITED CASE OF GDR SAUSAGE FACTORY WHICH CLAIMS COMPENSATION FOR INABILITY SELL SAUSAGES HERE OVER DECADES PRECEDING RECOGNITION.

(D) DEMANDED ACCOUNTING AND COMPENSATION FOR DAMAGES CAUSED IN ACCIDENTS INCURRED OVER THE YEARS BY FRENCH MILITARY PATROL VEHICLES DOING THEIR ROUNDS IN EAST GERMANY. FRENCH CONSIDER THIS PARTICULARLY NERVOUS SINCE WHOLE POINT OF PATROLS IS TO ASSERT ALLIED RESPONSIBILITY FOR BERLIN AND THERE IS PROCEDURE FOR SETTling ACCIDENT CLAIMS, PLAISANT THOUGHT, THROUGH SOVIETS.

(E) LASTLY, BUT NOT LEAST IN IMPORTANCE, THERE WAS DETERMINED GDR EFFORT TO ISOLATE CLAIMS CONCERNING "CULTURAL GOODS" FROM OTHER PROPERTY ISSUES AND TO OBTAIN FRENCH ACCEPTANCE OF THE "INTERNATIONAL PRINCIPLE" THAT

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 PARIS 30416 02 OF 02 141955Z

70

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 /059 W

----- 063285

R 141943Z OCT 76
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 6121
INFO ALL EC CAPITALS 0215
AMEMBASSY BERLIN
USMISSION USBERLIN
AMEMBASSY VIENNA
AMEMBASSY MOSCOW
AMEMBASSY BERN
AMEMBASSY OSLO
AMEMBASSY STOCKHOLM
AMEMBASSY HELSINKI

C O N F I D E N T I A L SECTION 02 OF 02 PARIS 30416

"CULTURAL GOODS" ARE TO BE RETURNED TO THEIR COUNTRY OF ORIGIN. TO SUPPORT THIS IDEA GDR OFFERED RETURN CERTAIN "FRENCH" PICTURES--WITH RESPECT TO WHICH FRENCH EXPERTS ARE NOT EVEN CERTAIN THAT THEY ARE EITHER "FRENCH" OR ORIGINALS. GDR REAL POINT IS TO USE FRENCH TO ESTABLISH THE "PRINCIPLE," IN ORDER TO THEN TURN IT AGAINST THE FRG IN SUPPORT OF GDR CLAIMS TO THE LARGE ART COLLECTIONS IN BERLIN AND ELSEWHERE.

3. QUAI INTENDS HANDLE MOST OF THESE DEMANDS WITH "COOL DISINTEREST THEY DESERVE." ON BERLIN ACCIDENT CLAIMS FRENCH NEGOTIATORS HAVE RECALLED TO GDR THAT BERLIN MATTERS NOT SUBJECT TO BILATERAL NEGOTIATIONS. ON RETURN OF PROPERTY ISSUE, LINE IN GENERAL WILL APPARENTLY BE DRAWN AT 1943. HOWEVER, PLAISANT CONCLUDED, GIVEN THE GDR POSITION ENUMERATED ABOVE, NEGOTIATION AS WHOLE IS NOT LIKELY TO BE COMPLETED SOON.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PARIS 30416 02 OF 02 141955Z

4. PLAISANT ENDED DISCUSSION BY NOTING THAT DUTCH AND DANES EITHER WERE, OR WERE ABOUT TO BECOME, INVOLVED IN SIMILAR TALKS WITH GDR, AND THAT PERIODIC ALLIED EXCHANGES ON PITFALLS IN BILATERAL DEALINGS WITH GDR WILL THEREFORE CONTINUE TO BE USEFUL.

5. COMMENT: WE WILL BE GLAD TO PURSUE ANY OF ABOVE THEMES WITH QUAI IF DEPARTMENT OR OTHER ADDRESSEES WOULD CONSIDER THIS USEFUL.

RUSH

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETINGS, NEGOTIATIONS, CONSULAR AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 OCT 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976PARIS30416
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760386-1015
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761053/aaaabtjb.tel
Line Count: 166
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 PARIS 30287
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 19 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19 APR 2004 by CollinP0>; APPROVED <29 JUL 2004 by KelleyW0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FRENCH-GDR INDEMNIFICATION NEGOTIATIONS: LESSONS IN CHUTZPAH
TAGS: PFOR, CGEN, CPRS, BDIS, GC, FR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006